

Governor's State Workforce Investment Board WIA Title I Funding Task Force

**State Capitol Building, Room 152, Helena, MT
October 25, 2007**

DRAFT MINUTES

COMMITTEE MEMBERS PRESENT: Jacquie Helt, Chair; Kirk Hammerquist; Thomas McKenna; and Jeff Rupp.

COMMITTEE MEMBERS ABSENT: Arlene Becker and Mike McGinley.

STAFF: Danielle Nettleton, Chris Wilhelm, and Jim Hill (advisory).

GUESTS: Shawn White Wolf, Linda Moodry, Mary Berg, Sheila Hogan, Lisa Newman, Candice Cumero, David DeFer, Dan Casey, Maggie Driscoll, Sara Fox, Al Ekblad, Theresa McCarthy, Michelle Marsh, and Suzanne Ferguson.

I. Welcome and Introductions

Chairperson Jackie Helt called the meeting to order at 1:37 p.m. She welcomed staff, task force members, and guests.

- Roll Call, Housekeeping, New Documents

Danielle Nettleton conducted roll call, addressed house keeping items, and reviewed the meeting documents presented. Chair Helt explained that the task force conducts business under Roberts Rules of Order. She stated she would relax Roberts Rules of Order to allow informal discussion among members. She reminded members to please state their name clearly when speaking for the accuracy of the minutes. She informed task force members and members of the public that the meeting was being recorded and the tapes would be destroyed after the meetings minutes were approved.

- Agenda

Chair Helt asked if there were any changes to the agenda. The agenda was approved as presented by consensus.

II. Funding Task Force Purpose

- Review State Workforce Investment Board (SWIB) May 4, 2007 Funding Discussion

Chris Wilhelm reported the task force was formed due to the concerns raised at the May 4, 2007 SWIB meeting regarding funding amounts. Discussion at the meeting occurred asking Workforce Investment Act (WIA) staff to research options to ensure that Montana is applying the most equitable formula for distribution of WIA dollars to service providers for Program Year 2007 (PY2007). WIA staff reported at the August 29 SWIB meeting, based on research, the process would necessitate more time for review and the recommendation was to not change the formula

for PY2007. SWIB Chairman Dan Miles requested a task force be formed to review the current funding formula process and charged the task force to make any recommendations for change by April 2008.

- **Charges/Goals**

Ms. Wilhelm reported that Chairman Miles charged the task force to:

- Review the current system;
- Study other states; and
- Recommend to the SWIB a fair and equitable system of funding distribution that will maximize benefits to participants.

III. Current System

Jim Hill explained the current process used for allocating money to operators of the WIA Adult, Youth and Dislocated Worker programs. He informed the committee that the current formula, developed by the previous administrative entity, is based in part on the federal formula used to allocate funding to states.

Jeff Rupp asked why 1990 census data was used in the formula instead of the 2000 census data, and if the cause of the difference in reported funding amounts at the May SWIB meeting and the actual funding allocated for the PY2007 was caused by using different census data for each calculation. Mr. Hill reported the census data for 2000 was flawed and the federal government has directed states to utilize the 1990 census data instead. The change in funding amounts was due to a mathematical error made by WIA staff when calculating the distribution formula; not from utilizing different census data. He stated the use of 1990 data had a minimal effect on the outcome of funding levels. WIA staff provided and reviewed a spreadsheet showing the funding allocated in PY2007 and the difference between the current funding and the PY2006 funding, noting that WIA funding as a whole had gone down.

Discussion ensued regarding the concerns of using outdated census data and the possibilities of finding more current data sources. Ms. Wilhelm reminded members that the SWIB approved the formula at the May meeting, not the dollar amounts.

IV. Preliminary Research – Other Approaches

Mr. Hill reviewed a WIA funding formula state information handout. States are not required to utilize the federal funding formula. Neighboring states were contacted to determine what method they use to calculate their funding formula. Some states utilized the federal funding formula; however, most developed their own. The merit of the different types of data utilized by various states was discussed. Concerns were raised regarding Montana's use of adult data to calculate youth funding. A recommendation for collecting current data from youth providers was made.

Ms. Wilhelm suggested that task force members identify different criteria staff could review for the use in a new formula. Discussion among members and guests created the following list of ideas that could be used to provide current and accurate information when calculating funding amounts for the Youth and Adult programs:

- Qualifying youth criteria
- Number of applicants who applied under qualifying criteria
- County data

- Drop out rate from OPI
- DPHHS data
- Food Stamps
- CHIP
- Kids aging out of foster care
- County unemployment rates
- Offender population
- Annual Homeless survey

Mr. Rupp commented there will always be providers who agree with the formula and some who disagree. The focus should be based on what is best for participants. Kirk Hammerquist asked for opinions on the 35% base funding for adult and the 9% for the youth program. Discussion occurred among members and staff determining to keep the base funding and recommended making the formulas more consistent. Mr. Hammerquist encouraged input from the audience.

V. Next Steps

Mr. McKenna requested sending a survey to program operators asking them to rank the three most important factors from the list the task force created. Discussion ensued regarding other possible questions for the survey, including the length of program waiting lists and the number of eligible participants who are turned away due to lack of funding. Lynn Clark suggested adding Pell Grant recipients to the list.

Mr. Hill stated that a survey would be created to provide the current information to program operators and ask their opinion as to which direction is best for participants. Mr. McKenna recommended asking about the use of a “Hold Harmless” policy to control losses in funding and a “Stop Gain” policy to control gains. Mr. Rupp asked staff to ensure the survey requested the opinions regarding base funding. Task force members decided to look further into ideas following the results of the survey.

Mr. Hill reminded task force members and public attendees the intent is to have the changes implemented by April 2008 in order to allocate funding for PY2008.

Mr. Hammerquist asked if Mr. Hill could provide members with possible funding amounts by calculating the different formulas from neighboring states. Chair Helt recommended not providing funding amounts until further in the process to avoid skewing the process.

The next meeting will be set with the assistance of SWIB staff.

VI. Adjourn

With no further comments Chair Helt adjourned the meeting at 3:05 p.m.